

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: William J. Carlson
DOCKET NO.: 02-21595.001-I-1 through 02-21595.004-C-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board (hereinafter PTAB) are William J. Carlson, the appellant, by Attorney Howard W. Melton in Chicago; and the Cook County Board of Review.

The subject property consists of 54,000 square feet of land comprising four parcels. The parcels are improved with a one-story, masonry, industrial building built in stages from 1968 through 1973. The improvement contains 46,800 square feet of building area of which 2,966 square feet is used as office area as well as 16 foot ceilings and five interior truck docks.

At hearing, the appellant's new attorney submitted a substitution of counsel document that was identified for the record as Appellant's Hearing Exhibit #1. The appellant's attorney argued that the fair market value of the subject was not accurately reflected in its assessed value.

The appellant submitted a complete, summary appraisal report as of January 1, 2001 and identified the date of appraiser's inspection as September 12, 2001. The purpose of the appraisal was to estimate the market value of the fee simple interest in the real estate for the subject property. The appellant's appraisal was conducted by Bradley R. Litz, a Certified General Real Estate Appraiser as well as Arthur J. Murphy, who also holds the designation of Member of the Appraisal Institute. The appraisers provided an estimate of market value as of January 1, 2001 at \$840,000.

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Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds a reduction in the assessment of the property as established by the COOK County Board of Review is warranted. The correct assessed valuations of the property are:

DOCKET #	PIN	LAND	IMPROVEMENT	TOTAL
02-21595.001-I-1	12-34-101-023	\$17,010	\$57,525	\$74,535
02-21595.002-I-1	12-34-101-024	\$17,010	\$48,850	\$65,860
02-21595.003-I-1	12-34-101-025	\$17,010	\$54,252	\$71,262
02-21595.004-I-1	12-34-101-026	\$17,010	\$73,733	\$90,743

Subject only to the State multiplier as applicable.

PTAB/KPP

The appraisal developed the highest and best use of the subject, as vacant, for development of a modern functional industrial improvement permitted under current zoning restrictions. The highest and best use, as improved, was the property's continued use as an industrial facility.

The appraisal developed the three traditional approaches to value. The cost approach reflected a value estimate of \$880,000, the income approach reflected an estimate of \$845,000, while the sales comparison approach to value reflected a value estimate of \$840,000.

In the cost approach, the appraisers referred to three land sales to estimate a land value for the subject of \$190,000, rounded. The appraisers next employed the Marshall Valuation Service to estimate a replacement cost of the subject's improvement of \$1,674,972 or \$35.79 per square foot without indirect costs. The appraisers opined that the subject had an effective age of 35 years and a remaining economic life of 15 years. Thereby, they opined a replacement cost new with indirect costs to be \$1,725,221, while adding 10% for entrepreneurial profit to indicate a final replacement cost new of \$1,897,743. While deducting a total depreciation of 64%, the depreciated cost of the improvements was estimated at \$683,187. Adding the land value of \$190,000, and site improvements at \$5,000, indicated a value estimate under the cost approach of \$880,000, rounded.

The second approach to value developed was the income approach using three rental comparables. Potential gross income was estimated at \$117,000 with a vacancy and collection of 10% or \$11,700 resulting in an effective gross income of \$105,300. Less management fees of 3% as well as reserves for replacement resulted in a net operating income of \$93,775. Applying an 11.1% capitalization rate, reflected a value under this approach at \$845,000, rounded.

The third approach to value developed was the sales comparison approach. The appraisers utilized four suggested comparables all located within the subject's suburb of Franklin Park that sold from March, 1999, to July, 2000, for prices that ranged from \$16.67 to \$20.63 per square foot. After making adjustments, the appraisers estimated a market value for the subject of \$840,000, rounded. In reconciling the approaches to value, the appraisers placed primary consideration on the sales comparison approach to value estimating the subject's market value to be \$840,000 as of the assessment date at issue.

Furthermore, at hearing, appellant's attorney argued that the PTAB had rendered the prior tax year's decision based upon the same evidence submission. He indicated that in PTAB docket #01-

24613-I-1, the PTAB rendered a decision in the first year of the subject's triennial reassessment period reducing the subject's assessment based upon the same appraisal evidence. Based upon the totality of evidence, appellant requested a reduction in the subject's assessment for property tax year 2002, which is the second year of the subject's reassessment period.

The board of review presented "Board of Review Notes on Appeal" wherein the subject's final assessment for the four parcels of \$353,808 reflected a market value of \$982,800 applying the Cook County Ordinance level of assessment of 36%. The board of review submitted copies of CoStar Comps printouts relating to four properties. The unadjusted data indicated a range of values as well as reference on two properties to personal property inclusive in the purchase price. The CoStar printouts indicate that the information reflected therein was obtained from sources deemed reliable, but not guaranteed. Based upon its analyses, the board of review requested confirmation of the fair market value of the subject as of the assessment date at issue.

At hearing, appellant's attorney argued that the board's properties lack comparability to the subject.

After hearing the testimony and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal.

When overvaluation is claimed, the appellant has the burden of proving the value of the property by a preponderance of the evidence. See National City Bank of Michigan/Illinois v. Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002) and Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179 (2nd Dist. 2000). Proof of market value may consist of an appraisal, a recent arm's length sale of the subject property, recent sales of comparable properties, or recent construction costs of the subject property. 86 Ill. Admin. Code 1910.65(c). Having considered the evidence presented, the PTAB finds that the appellant has met this burden and that a reduction is warranted.

The PTAB finds that the best evidence of the subject's market value for tax year 2002 is the appellant's appraisal with an effective date of January 1, 2001 indicating a market value of \$840,000. Since the market value of this subject has been established, the ordinance level of assessment for Cook County class 5a property of 36% will apply. This application indicates a total assessed value of \$302,400. Since the subject's current total assessment stands at \$353,808, a reduction is merited.

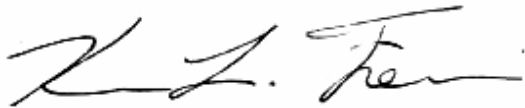
Based upon the evidence, the PTAB finds that the appellant has demonstrated that the subject property is overvalued for tax year

2002. Therefore, a reduction in the subject's market value and assessment is warranted for this year.

This is a final administrative decision of the Property Tax Appeal Board which is subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code.



Chairman



Member



Member



Member



Member

DISSENTING: _____

C E R T I F I C A T I O N

As Clerk of the Illinois Property Tax Appeal Board and the keeper of the Records thereof, I do hereby certify that the foregoing is a true, full and complete Final Administrative Decision of the Illinois Property Tax Appeal Board issued this date in the above entitled appeal, now of record in this said office.

Date: April 25, 2008



Clerk of the Property Tax Appeal Board

IMPORTANT NOTICE

Section 16-185 of the Property Tax Code provides in part:

"If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing complaints with the Board of Review or after adjournment of the session of the Board of Review at which assessments for the subsequent year are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for the subsequent year directly to the Property Tax Appeal Board."

In order to comply with the above provision, YOU MUST FILE A PETITION AND EVIDENCE WITH THE PROPERTY TAX APPEAL BOARD WITHIN 30 DAYS OF THE DATE OF THE ENCLOSED DECISION IN ORDER TO APPEAL THE ASSESSMENT OF THE PROPERTY FOR THE SUBSEQUENT YEAR.

Based upon the issuance of a lowered assessment by the Property Tax Appeal Board, the refund of paid property taxes is the responsibility of your County Treasurer. Please contact that office with any questions you may have regarding the refund of paid property taxes.